Closure of powerlooms

*575. SHRI SURENDRA LATH: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that a number of powerlooms and their ancillary units have been closed down;

(b) if so, the State-wise details thereof and the reasons therefor; and

(c) the steps taken to revive those powerlooms?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) and (b) Central Government collects and maintains data only in regard to registration of powerlooms. This figure shows an increase in the number of Powerlooms registered from 15.23 lakh in 1998 to 16.93 lakhs till 31.03.2003. On the basis of these figures, it may be said that while some units and their ancillaries might have closed down, due to various reasons which may include financial difficulties, erratic power supply, lack of demand, ownership wrangles, labour problem etc., a greater number have been started.

However, towards the end of March and in early April, 2003 a large number of powerloom units temporarily closed down by going on strike to protest against the proposed changes announced in the Union budget 2003-04, which sought to reduce excise duty but simultaneously withdraw excise exemption on grey fabric.

(c) Government has taken several initiatives to facilitate growth in the powerloom industry, which include:

(i) A programme for induction of 50,000 shuttleless and for 2.50 lakh semi automatic and automatic looms in the decentralised powerloom sector has been announced. Incentives have been made available under the Technology Upgradation Fund Scheme (TUFS) whereby the powerloom owner can reduce the cost of borrowing capital either by availing 12% upfront Capital Linked Subsidy or by obtaining 5% interest reimbursement of on the loan availed.

(ii) Import duty on shuttleless looms has been reduced and excise duty exemption has been given to indigenous automatic looms. Accelerated depreciation benefits at the rate of 50% have been extended on the weaving machinery installed under TUFS.

(iii) Powerloom Service Centres (PSCs), established to provide various

services, such as skill upgradation and testing facilities to powerioom weavers have been upgraded with modem looms, other machinery and equipment to improve the quality of services and facilitation for modernisation.

(iv) Computer Aided Design Centres in Powerioom Service Centers have been estabilished to provide value addition through design inputs into powerioom production.

(v) Powerioom Export Entitlement (PEE) quota has been provided to encourage powerioom exports.

(vi) A Special group Insurance Scheme has been approved to provide cover to the powerioom workers against death, accident and disability.

2. Government has taken following steps to end the strike in the powerioom industry due to which many clusters are coming back to normal:

(i) Meetings have been held with the Industry representatives and associations to understand their trading practices, difficulties and apprehensions.These have been communicated to the Ministry of Finance.

(ii) Ministry of Finance have simplified the excise rules and procedures for the decentralised textile industry so as to ensure that current trade practices continue undisturbed and difficulties expressed by the trade in seeking registration, following procedures and paying taxes are sympathetically solved.

(iii) The Office of the Textile Commissioner has held meetings together with Commissionerates of Central Excise in the major textile clusters to address and agitate the industry on the fiscal changes, its repercussions and its procedural requirements.

Non-Conventional Energy Projects in Karnataka

*576.SHRI K.B. KRISHNA MURTHY: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) the number of Non-Conventional Energy Projects being implemented in Karnataka;

(b) the quantum of the power being produced from these projects;